

Message Text

SECRET

PAGE 01 STATE 269183

15

ORIGIN SS-10

INFO OCT-01 ISO-00 /011 R

66611

DRAFTED BY: EA/J:DGBROWN:RD

APPROVED BY: S/S-O:PPSARROS

EA-WHGLEYSTEEN

----- 115926

R 070251Z DEC 74

FM SECSTATE WASHDC

TO AMEMBASSY SEOUL

CINCPAC

S E C R E T STATE 269183

EXDIS MILITARY ADDEES HANDLE AS SPECAT EXCLUSIVE

CINCPAC FOR ASST SECY HABIB AND AMBS HODGSON AND SNEIDER

FOLLOWING REPEAT TOKYO 15810 ACTION SECSTATE 4 DECEMBER.

QUOTE

S E C R E T TOKYO 15810

EXDIS

EO 11652: GDS DECLAS IMPOSSIBLE TO DETERMINE

TAGS: PFOR JA KS KN EEWT

SUBJ: SECRETARY'S CONVERSATION WITH FONMIN KIMURA ON KOREA

SUMMARY: ON FONMIN KIMURA'S INSTRUCTIONS, DIRECTOR NE ASIA
DIVISION SEO CALLED IN EMBOFF DEC 3 TO PROVIDE OFFICIAL ELABORA-
TION OF SOME OF REMARKS KIMURA MADE REGARDING KOREA TO SECRETARY
DURING NOVEMBER 25 DISCUSSIONS. LACK OF TIME PREVENTED KIMURA
FROM AMPLIFYING ON HIS REMARKS DURING NOV 30 MEETING WITH
SECRETARY. ELABORATIONS INVOLVE KIMURA'S REMARKS ON EX-IM
CREDITS TO NORTH KOREA AND COMMENTS ON JAPAN'S ATTITUDE TOWARD
CONTACTS WITH NK. KIMURA, THROUGH SEO, ALSO SOUGHT TO CLARIFY
SECRET

SECRET

PAGE 02 STATE 269183

GOJ'S ATTITUDE TOWARD POSSIBLE US APPROACH TO SEOUL ON TWO

JAPANESE YOUTH IMPRISONED IN ROK. END SUMMARY.

1. REGARDING EXTENSION OF EX-IM CREDITS TO NK, SEO REVIEWED KIMURA'S REMARKS TO SECRETARY, THEN ELABORATED AS FOLLOWS: TWO PROJECTS ARE INVOLVED: (A) \$2 MIL WORTH OF TOWEL MANUFACTURING EQUIPMENT (PROJECT KIMURA DISCUSSED), AT 6.5 PERCENT INTEREST, WITH THREE YEARS FOR REPAYMENT. (B) \$2 MIL WORTH OF BOLT/NUT MANUFACTURING EQUIPMENT, 6.5 PERCENT INTEREST, WITH TWO YEARS FOR REPAYMENT. BOTH PROJECTS WERE APPROVED PRIOR TO PRESIDENT FORD'S VISIT TO JAPAN.

2. CONTINUING AMPLIFICATION, SEO SAID GOJ RESPONDED DEC 2 TO EARLIER ROK DEMARCHE ON CREDITS AS FOLLOWS: (A) EXTENSION OF CREDITS DOES NOT ENTAIL EITHER AID OR ECONOMIC COOPERATION. EX-IM FUNDS ARE USED EITHER TO REDUCE TERMS TO ASSIST LDCS IN DEVELOPMENT OR PURELY AS COMMERCIAL TRANSACTIONS AS SUPPLIERS CREDITS. TWO APPROVED PROJECTS ARE OF LATTER VARIETY. JAPAN'S POLICY TOWARD NK IS UNCHANGED AND GOJ DOES NOT CONTEMP ATE ANY ACT OF RECOGNITION OF NK UNDER PRESENT CONDITIONS. (B) GOJ TOLD ROKG FURTHERMORE THAT AMOUNT IS NEGLIGIBLE, PARTICULARLY COMPARED TO ESTIMATED \$2 BIL JAPAN HAS INVESTED IN ROK (\$500 MIL AT NORMALIZATION; ADDITIONAL \$400 MIL GOVERNMENTAL INVESTMENT SINCE NORMALIZATION; AND \$1.1 BIL PRIVATE INVESTMENT AND CREDIT). (C) GOJ EMPHASIZED TO ROKG DOMESTIC CONSIDERATIONS INVOLVED IN DECISION ON EX-IM CREDITS TO NK. GOJ IS CONSTANTLY CRITICIZED FOR ONE-SIDED POLICY. EXTENSION OF SMALL EX-IM CREDITS WILL HELP DULL THIS CRITICISM. (D) FINALLY, REGARDING POSSIBILITY THAT CREDITS COULD UNDERMINE ROK-JAPAN RELATIONS, GOJ TOLD ROKG A MAJOR PURPOSE OF LENGTHY EXPLANATION WAS TO PREVENT ANY HARM TO BILATERAL RELATIONS. ANY REVERSAL OF DECISION ON CREDITS NOW WOULD CAUSE ADVERSE REACTION IN JAPAN AND THEREFORE WOULD HAVE EFFECT OF HARMING ROK-JAPAN RELATIONS.

3. SEO EXPLAINED TO EMBOFF THAT GOJ WOULD BE VERY STRICT IN DECIDING ON ANY FUTURE EX-IM CREDITS FOR NK TO MAKE SURE NK DID NOT MISUNDERSTAND GOJ'S POLICIES AND TO ENSURE THAT ROK-JAPAN RELATIONS WERE NOT INJURED. GOJ'S PRINCIPAL CONCERN IN SECRET

SECRET

PAGE 03 STATE 269183

ITS POLICY TOWARD KOREAN PENINSULA, HE SAID, IS PRESERVATION OF POSITION OF ROK. SEO ADDED PERSONAL NOTE THAT PURPOSE OF JAPAN'S ATTEMPT TO OPEN NON-POLITICAL EXCHANGE WITH NK WAS TWO-FOLD: ON ONE HAND TO END NK'S ISOLATION BUT ON OTHER TO EXPOSE NK'S INTRANSIGENCE TO OTHERS, MOST PARTICULARLY TO THOSE JAPANESE WHO VIEW NK UNOBJECTIVELY. NORTH KOREAN' UNCOMPROMISING AND INTRANSIGENT ATTITUDE AT OCTOBER IPU CONFERENCE WAS REAL EYE-OPENER AND, TO SEO'S SATISFACTION,

PRESS PROVIDED FULL COVERAGE.

4. FINALLY, SEO SOUGHT TO CLARIFY FONOFF'S ATTITUDE TOWARD POSSIBLE US APPROACH TO ROKG ON QUESTION OF TWO JAPANESE IMPRISONED IN ROK. NOTING THAT DURING DISCUSSION OF ROK DOMESTIC SITUATION, ISSUE OF IMPRISONED STUDENTS CAME UP AND SECRETARY, ACCORDING TO SEO'S TRANSCRIPT, COMMENTED THAT ASST SECY HABIB AND AMB YASUKAWA MIGHT DISCUSS QUESTION AND US "COULD CONSIDER IF WE COULD DO SOMETHING." SEO NOTED THAT RELEASE OF TWO WHEN ROK SUPREME COURT DECISION IS REACHED (EXPECTED SOON) OR EVEN AFTER THEY SERVE A MINIMAL SENTENCE OF A MONTH OR SO, WOULD HELP TO IMPROVE JAPANESE PUBLIC'S ATTITUDE TOWARD ROK. NEVERTHELESS, SEO SAID, "AMB YASUKAWA WOULD NOT BRING MATTER UP WITH ASST SECY HABIB AND GOJ WAS NOT IN A POSITION TO ASK USG TO UNDERTAKE ANY SPECIFIC ACTION." HE THEN ADDED THAT "GOJ WOULD, OF COURSE, BE INTERESTED IN ANY COMMENT WE HAD OR STEPS WE MIGHT UNDERTAKE ON OUR OWN."

5. COMMENT: REGARDING FINAL POINT, JAPANESE CLEARLY HOPE WE WILL SEE IT IN ALL OUR INTERESTS FOR ROK TO TAKE STEP WHICH COULD INITIATE UPTURN IN ROK-JAPAN RELATIONS BUT FONOFF UNWILLING TO ASK US DIRECTLY TO INTERCEDE.
HODGSON
UNQUOTE KISSINGER

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, CONTACTS WITH COMMUNIST OFFICIALS, INTEREST RATES, PUBLIC ATTITUDES, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 DEC 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE269183
Document Source: CORE
Document Unique ID: 00
Drafter: EA/J:DGBROWN:RD
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740356-0045
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741252/aaaabsco.tel
Line Count: 139
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 06 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06-Aug-2002 by worrelsw>; APPROVED <17 MAR 2003 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SECRETARY'S CONVERSATION WITH FONMIN KIMURA ON KOREA SUMMARY: ON FONMIN KIMURA'S INSTRUCTIONS, DIRECTOR NE ASIA
TAGS: PFOR, EEWT, JA, KS, KN, XMB, (KISSINGER, HENRY A), (KIMURA)
To: SEOUL CINCPAC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005